

May 11, 2017

Glen Dickinson, Director  
Legislative Services Agency  
State Capitol  
LOCAL

Dear Mr. Dickinson:

This letter provides an update on the centralized debt collection program for the quarter ending December 31, 2016. This report is required quarterly by Iowa Code Chapter 421.17(27) (h.) and (j.) regarding collection results, costs, and positions added.

**Centralized Collection Program Implementation**

The Centralized Collection Unit (CCU) provides collection services to the Judicial Branch (Court), Department of Human Services Child Support Recovery Unit (DHS CSRU), Department of Natural Resources (DNR), Iowa Department of Revenue (IDR), and Iowa Workforce Development (IWD). Each agency placing accounts with CCU may also undertake additional collection efforts beyond those reflected in this report.

As of July 2015, the Court stopped placing accounts with CCU. In July 2016, CCU returned all Court accounts that were not in an existing payment plan.

CCU began providing limited collection services to IWD beginning April 2016.

**Collections by Quarter**

The attached tables show quarterly revenues that were generated by the CCU. Collections for the December 2016 quarter totaled \$12.06 million, a decrease of \$1.72 million compared to the same quarter last year (see table 2). This decrease was due to reduced Court collections. When compared to the same quarter of FY 2016, Court collections decreased \$2.70 million, tax collections increased \$0.77 million, and both DHS CSRU collections and the DNR had a slight increase. No comparison with FY 2016 is available for IWD.

The tables and figures below reflect only the efforts of the Centralized Collection Unit.

**Cost/Benefit**

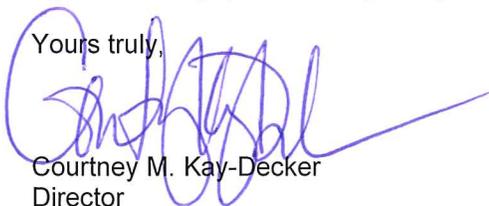
The Centralized Collection Unit is self-supporting and charges for all direct and indirect costs that are properly allocable to CCU activities. No new positions were added this quarter. Fiscal year costs as a share of CCU collections are provided in Table 1 below.

**Table 1. Centralized Collection Unit Costs as a Share of Collected, FY 2014-2016**

<u>Fiscal Year</u>	<u>Costs as a Share of Amount Collected</u>
2016	6.84%
2015	7.44%
2014	7.08%

If you have any questions regarding this information, please let me know.

Yours truly,



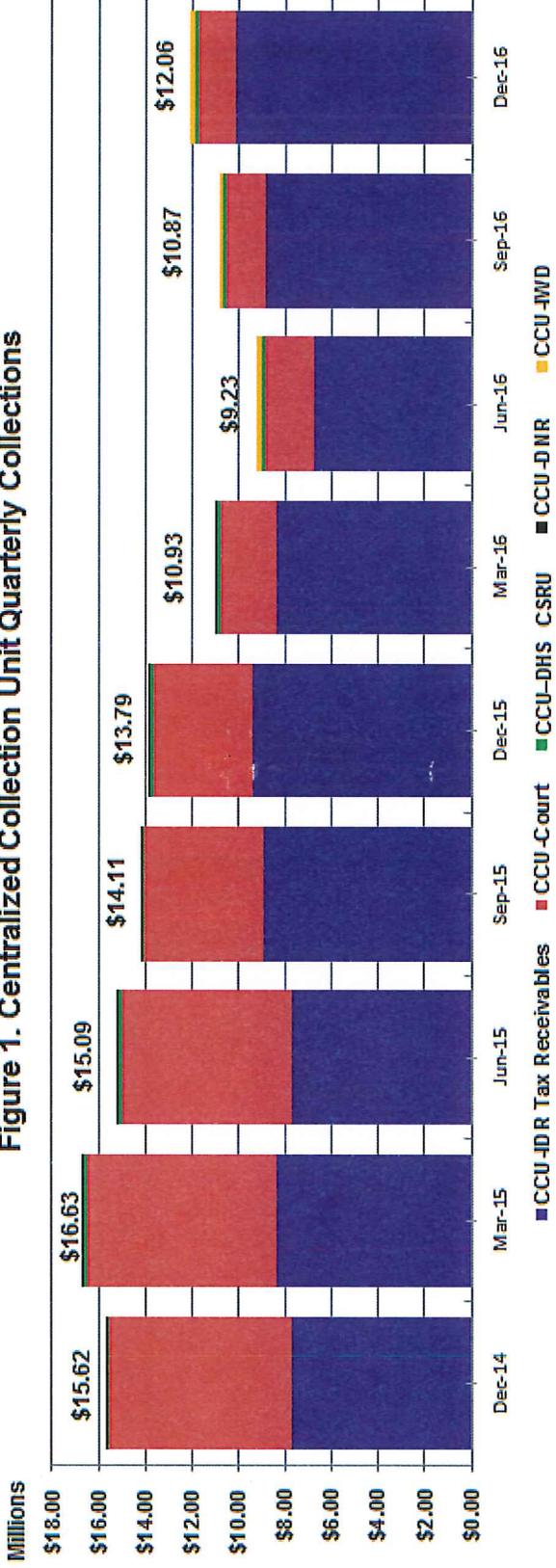
Courtney M. Kay-Decker  
Director

Table 2. Centralized Collection Unit Quarterly Collections

Program	Collections for Quarter Ending				FYTD 2017
	September 2016	December 2016	March 2016	June 2016	
CCU - IDR Tax Receivables	\$8,851,840	\$10,138,260	\$8,370,619	\$6,735,025	\$18,990,100
CCU - Court	\$1,627,190	\$1,577,870	\$2,385,138	\$2,105,038	\$3,205,059
CCU - DHS CSRU	\$167,953	\$171,912	\$158,602	\$128,827	\$339,865
CCU - DNR	\$9,015	\$13,178	\$13,243	\$16,888	\$22,194
CCU - IWD	\$212,391	\$162,297		\$247,920	\$374,688
<b>Total</b>	<b>\$10,868,388</b>	<b>\$12,063,518</b>	<b>\$10,927,602</b>	<b>\$9,233,699</b>	<b>\$22,931,906</b>
CCU - IDR Tax Receivables	\$8,957,198	\$9,365,762	\$8,370,619	\$6,735,025	\$33,428,605
CCU - Court	\$5,031,483	\$4,280,084	\$2,385,138	\$2,105,038	\$13,801,743
CCU - DHS CSRU	\$122,570	\$140,616	\$158,602	\$128,827	\$550,616
CCU - DNR	\$1,589	\$1,628	\$13,243	\$16,888	\$33,348
CCU - IWD				\$247,920	\$247,920
<b>Total</b>	<b>\$14,112,840</b>	<b>\$13,788,091</b>	<b>\$10,927,602</b>	<b>\$9,233,699</b>	<b>\$48,062,233</b>
CCU - IDR Tax Receivables	\$6,382,680	\$7,734,553	\$8,324,393	\$7,689,791	\$30,131,417
CCU - Court	\$8,850,356	\$7,782,107	\$8,161,439	\$7,242,924	\$32,036,825
CCU - DHS CSRU	\$91,943	\$104,694	\$131,688	\$157,774	\$486,099
CCU - DNR	\$2,622	\$2,273	\$10,601	\$3,408	\$18,903
<b>Total</b>	<b>\$15,327,600</b>	<b>\$15,623,626</b>	<b>\$16,628,121</b>	<b>\$15,093,897</b>	<b>\$62,673,244</b>

Fiscal year totals may not equal the sum of quarterly numbers due to rounding.

**Figure 1. Centralized Collection Unit Quarterly Collections**



**Figure 2. Subset of Centralized Collection Unit Quarterly Collections**

